

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF PENNSYLVANIA
READING DIVISION**

In re:

MARGARITA M. COLLADO,

Debtor

Chapter 13 Bankruptcy

Bankruptcy No. 17-10952 REF

FOURTH AMEDED CHAPTER 13 PLAN

☐ Original
☒ 4th Amended

Date: October 23, 2018

**THE DEBTOR FILED FOR RELIEF UNDER
CHAPTER 13 OF THE BANKRUPTCY CODE**

YOUR RIGHTS WILL BE AFFECTED

You should have received from the court a separate Notice of the Hearing on Confirmation of Plan, which contains the date of the confirmation hearing on the Plan proposed by the Debtor. This document is the actual Plan proposed by the Debtor to adjust debts. You should read these papers carefully and discuss them with your attorney. **ANYONE WHO WISHES TO OPPOSE ANY PROVISION OF THIS PLAN MUST FILE A WRITTEN OBJECTION** in accordance with Bankruptcy Rule 3015 and Local Rule 3015-5. **This Plan may be confirmed and become binding, unless a written objection is filed.**

**IN ORDER TO RECEIVE A DISTRIBUTION UNDER THE PLAN, YOU
MUST FILE A PROOF OF CLAIM BY THE DEADLINE STATED IN THE
NOTICE OF MEETING OF CREDITORS.**

Part 1: Bankruptcy Rule 3015.1 Disclosures

- ☐ Plan contains non-standard or additional provisions – see Part 9
- ☐ Plan limits the amount of secured claim(s) based on value of collateral

☐ Plan avoids a security interest or lien

Part 2: Payment and Length of Plan

§ 2(a)(2) Amended Plan:

Total Base Amount to be paid to the Chapter 13 Trustee (“Trustee”) \$25,845.00

The Plan payments by Debtor shall consists of the total amount previously paid (\$7,245.00) added to the new monthly Plan payments in the amount of \$465.00 beginning November 9, 2018 for 40 months.

☐ Other changes in the scheduled plan payments are set forth in §2(d)

§ 2(b) Debtor shall make plan payments to the Trustee from the following sources in addition to future wages (Describe source, amount and date when funds are available, if known):

§ 2(c) Use of real property to satisfy plan obligations:

☐ Sale of real property
See § 7(c) below for detailed description

☒ Loan modification with respect to mortgage encumbering property:
See § 7(d) below for detailed description

Part 3: Priority Claims (Including Administration Expenses & Debtor’s Counsel Fees)

§ 3(a) Except as provided in § 3(b) below, all allowed priority claims will be paid in full unless the creditor agrees otherwise:

Creditor	Type of Priority	Estimated Amount to be Paid
Hartman, Valeriano, Magovern & Lutz, P.C.	Administrative	Attorney’s fees as approved by the Court

§ 3(b) Domestic Support obligations assigned or owed to a governmental unit and paid less than full amount.

☒ **None.** If “None” is checked, the rest of § 3(b) need not be completed.

Part 4: Secured Claims

§ 4(a) Curing Default and Maintaining Payments

☐ **None.** If “None” is checked, the rest of § 4(a) need not be completed.

The Trustee shall distribute an amount sufficient to pay allowed claims for prepetition arrearages; and, Debtor shall pay directly to creditor monthly obligations falling due after the bankruptcy filing.

Creditor	Description of Secured Property and Address, if real property	Regular Monthly Payment to be paid directly to creditor by Debtor	Estimated Arrearage	Interest Rate on Arrearage, if applicable	Amount to be Paid to Creditor by the Trustee
Freedom Mortgage Proof of Claim No. 6 1st mortgage on residential real estate	Residential real estate	As required by the contract between the Debtor and the Creditor	\$8,269.00 prepetition. In addition, the Debtor will pay (outside the Chapter 13 Plan) to the creditor postpetition arrears in the amount of \$2,460.01, as provided for by the Stipulation of Settlement between the Debtor and the Creditor, approved by the Court on March 19, 2018 (See Document No. 39 on the docket)	N/A	\$8,269.00
Santander Bank Proof of Claim No. 2 2nd mortgage on residential real estate	Residential real estate	As required by the contract between the Debtor and the Creditor	\$1,195.16	N/A	\$1,195.16

§ 4(b) Allowed Secured Claims to be Paid in Full: Based on Proof of Claim or Pre-Confirmation Determination of the Amount, Extent or Validity of the Claim

☒ **None.** If “None” is checked, the rest of § 4(b) need not be completed.

§ 4(c) Allowed secured claims to be paid in full that are excluded from 11 U.S.C. § 506

☒ **None.** If “None” is checked, the rest of § 4(c) need not be completed.

§ 4(d) Surrender

☒ **None.** If “None” is checked, the rest of § 4(d) need not be completed.

Part 5: Unsecured Claims

§ 5(a) Specifically Classified Allowed Unsecured Non-Priority Claims

☒ **None.** If “None” is checked, the rest of § 5(a) need not be completed.

Creditor	Basis for Separate Classification	Treatment	Amount of Claim	Amount to be Paid

§ 5(b) All Other Timely Filed, Allowed General Unsecured Claims

(1) Liquidation Test (check one box)

☐ All Debtor's property is claimed as exempt.

☒ Debtor has non-exempt property valued at \$ for purposes of § 1325(a)(4)

The Debtor has non-exempt equity in assets that she owns individually in the amount of \$6,237.19. Accordingly, subsequent to dividends to secured creditors, dividends to unsecured creditors whose claims are duly allowed shall be paid the sum of \$6,237.19.

(2) Funding: § 5(b) claims to be paid as follows (check one box):

☒ Pro rata

☐ 100%

☐ Other (Describe)

Part 6: Executory Contracts & Unexpired Leases

☒ **None.** If “None” is checked, the rest of § 6 need not be completed.

Part 7: Other Provisions

§ 7(a) General Principles Applicable to The Plan

(1) Vesting of Property of the Estate (check one box)

- ☒ Upon confirmation
☐ Upon discharge

(2) Unless otherwise ordered by the court, the amount of a creditor’s claim listed in its proof of claim controls over any contrary amounts listed in Parts 3, 4 or 5 of the Plan.

(3) Post-petition contractual payments under § 1322(b)(5) and adequate protection payments under § 1326(a)(1)(B),(C) shall be disbursed to the creditors by the Debtor directly. All other disbursements to creditors shall be made by the Trustee.

(4) If Debtor is successful in obtaining a recovery in a personal injury or other litigation in which Debtor is the plaintiff, before the completion of plan payments, any such recovery in excess of any applicable exemption will be paid to the Trustee as a special Plan payment to the extent necessary to pay priority and general unsecured creditors, or as agreed by the Debtor and the Trustee and approved by the court.

§ 7(b) Affirmative Duties on Holders of Claims secured by a Security Interest in Debtors' Principal Residence

(1) Apply the payments received from the Trustee on the pre-petition arrearage, if any, only to such arrearage.

(2) Apply the post-petition monthly mortgage payments made by the Debtor to the post-petition mortgage obligations as provided for by the terms of the underlying mortgage note.

(3) Treat the pre-petition arrearage as contractually current upon confirmation for the Plan for the sole purpose of precluding the imposition of late payment charges or other default-related fees and services based on the pre-petition default or default(s). Late charges may be assessed on post-petition payments as provided by the terms of the mortgage and note.

(4) If a secured creditor with a security interest in the Debtor’s property sent regular statements to the Debtor pre-petition, and the Debtor provides for payments of that claim directly to the creditor in the Plan, the holder of the claims shall resume sending customary monthly statements.

(5) If a secured creditor with a security interest in the Debtor's property provided the Debtor with coupon books for payments prior to the filing of the petition, upon request, the creditor shall forward post-petition coupon book(s) to the Debtor after this case has been filed.

(6) Debtor waives any violation of stay claim arising from the sending of statements and coupon books as set forth above.

§ 7(c) Sale of Real Property

☒ **None.** If “None” is checked, the rest of § 7(c) need not be completed.

§ 7(d) Loan Modification

☐ **None.** If “None” is checked, the rest of § 7(d) need not be completed.

The Debtor has entered into a Loan Modification Agreement with Ditech Financial LLC, which is secured by a mortgage on the Debtor’s nonresidential real estate located at 1438 Muhlenberg Street, Reading, PA. The Loan Modification Agreement has been filed with and approved by the Bankruptcy Court, by Order dated March 5, 2018. See Document No. 36 on the docket. No amounts will be paid to Ditech Financial LLC through the Plan.

Part 8: Order of Distribution

The order of distribution of Plan payments will be as follows:

- Level 1: Trustee Commissions*
- Level 2: Domestic Support Obligations
- Level 3: Adequate Protection Payments
- Level 4: Debtor’s attorney’s fees
- Level 5: Priority claims, pro rata
- Level 6: Secured claims, pro rata
- Level 7: Specially classified unsecured claims
- Level 8: General unsecured claims
- Level 9: Untimely filed, allowed general unsecured claims

**Percentage fees payable to the standing trustee will be paid at the rate fixed by the United States Trustee not to exceed ten (10) percent.*

Part 9: Non Standard or Additional Plan Provisions

☒ **None.** If “None” is checked, the rest of § 9 need not be completed.

Part 10: Signatures

Under Bankruptcy Rule 3015(c), nonstandard or additional plan provisions are required to be set forth in Part 9 of the Plan. Such Plan provisions will be effective only if the applicable box in Part 1 of this Plan is checked. Any nonstandard or additional provisions set out other than in Part 9 of the Plan are VOID. By signing below, attorney for Debtor(s) or unrepresented Debtor(s) certifies that this Plan contains no nonstandard or additional provisions other than those in Part 9 of the Plan.

Date: October 23, 2018

Respectfully submitted,

Hartman, Valeriano, Magovern & Lutz, PC

by: /s/ George M. Lutz

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